

ADMINISTRATIVE - INTERNAL USE ONLY

DD/A Registry

85-0845/1

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Agency Position Average Grade and Deferred Allocations

FROM: Robert W. Magee
Director of Personnel

EXTENSION

NO.

DATE APR 11 1985

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. FO/ Deputy Director for
Administration
7D24 Hqs

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3. ODA

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cc: ODA/CMS

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APR 11 1985

MEMORANDUM FOR: Deputy Director for Administration
Deputy Director for Operations
Deputy Director for Intelligence
Deputy Director for Science and Technology
Chairman, National Intelligence Council
Comptroller
General Counsel
Inspector General
Director of Legislative Liaison
Director of Public Affairs

FROM: Robert W. Magee
Director of Personnel

SUBJECT: Agency Position Average Grade and Deferred Allocations

REFERENCE: Memo to DDA fm D/OP, dtd 22 Feb 85,
Subject: Agency Position Average Grade

1. During the period FY 1982 through FY 1985, the Agency has been successful in obtaining an increase in its position average grade from 10.65 to its current 10.90. These increases have been justified by the rapid growth in both numbers and responsibilities the Agency has experienced during the past several years, and have been well documented through the position management program conducted by the Position Management and Compensation Division (PMCD) of the Office of Personnel. During the same period, however, the Agency has also incurred a deficit of approximately 1000 grade points projected to the end of FY 1985. This deficit represents a requirement for an additional increase in the Agency average grade of approximately .07 to 10.97.

2. The current average grade deficit has resulted from a combination of factors. First, PMCD has made use of the deferred allocation to reflect position classification actions which cannot be implemented within existing average grade levels. The deferred allocation was established to avoid the perception that position classification decisions were being made on the basis of average grade quotas, and it has been effective in maintaining a separation between the individual position classification action and overall Agency average grade controls. Second, there has not been a clear relationship between the position requirements established through the budget process and the management of actual position resources within individual organizations. As a result, component budget submissions to the Comptroller have generally not reflected a realistic projection of position grade requirements from which the Comptroller can develop accurate submissions through the program and budget process.

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3. Our current authorized average grade of 10.90 has a built-in deficit represented by the deferred allocations which are carried throughout the Agency. Although some components have been effective in the management of their position resources and currently have few or no deferred allocations, the Agency as a whole is in a very tenuous situation. The positions we are carrying as deferred allocations build expectations on the part of our employees for continued promotion headroom that in the current political climate is unrealistic. We have a budgeted increase in our average grade to 10.96 planned for FY 1986 which we are hopeful will not be challenged by the Office of Management and Budget (OMB). However, as our growth rate slows with the budget restrictions the federal government is facing, there is little likelihood that we can support further increases. Therefore, we must take actions now which will minimize any possible future impact of budget decisions affecting average grade.

4. By the referent memorandum, the Deputy Director for Administration has approved several actions which we believe will provide the Agency with a relatively painless way to meet the challenges of the budgetary constraints that we will be faced with over the next several years. These actions are as follows:

a. Future grade points obtained through the budget process will be allocated by PMCD based on requests projected and approved through the formal budget process. As is currently the case, all position grade level requests would still be subject to PMCD validation through the position classification process.

b. Grade points will no longer be allocated to ad hoc position evaluations. PMCD will continue to respond to management requests for ad hoc evaluations. However, these evaluations will be treated as an unfunded requirement so that if an upgrade is involved, management must identify an offsetting position downgrade for a position which has eroded in responsibility or which appropriately can be restructured to a lower level. Deferred allocations generally will not be used for future ad hoc requests. Exceptions to this process may be requested from the Director of Personnel if there is an extraordinary management consideration, e.g., an individual who cannot be promoted unless his position is upgraded.

c. Major reorganizations will continue to be implemented by PMCD. However, all reorganizations implemented outside the formal position management survey process must be implemented within component average grade. Deferred allocations will not be used for these types of reorganizations.

d. A formal education program will be undertaken by the Office of Personnel and the Comptroller to establish the relationship between the budget process and the position management and classification process. Your Senior Personnel Officer will be included in the education program to facilitate this process.

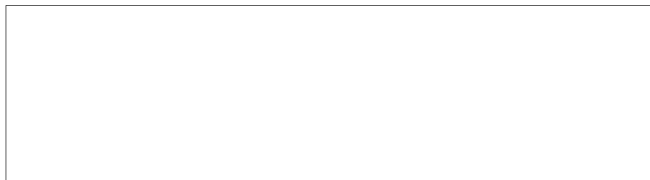
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e. Deferred allocations will continue to be used by PMCD to reflect grade point deficiencies resulting from position management survey decisions or new budgeted position requests. A time limit of three years will be established for all deferred allocations during which management must develop plans to make good on the deferred allocation either through the budget process or through internal realignments. If you have deferred allocations on your current staffing complement, the three-year time limit will be measured from the date of this memorandum.

5. The new policies outlined above are effective the date of this memorandum. If you have any questions regarding these policies, please call Gerald K. Hughes Jr., Chief, Position Management and Compensation Division, on secure 340130.

STAT



Robert W. Magee

Attachment